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Review of the efficiency of the administrative and financial functioning of the United Nations

Report of the Joint Inspection Unit on the delegation of authority for management of human and financial resources in the United Nations Secretariat

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly his comments on the report of the Joint Inspection Unit entitled "Delegation of authority for management of human and financial resources in the United Nations Secretariat"(JIU/REP/2000/6) (A/55/857).

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Comments of the Secretary-General on the report of the Joint Inspection Unit on the delegation of authority for management of human and financial resources in the United Nations Secretariat

General comments

1. Pursuant to article 11 of the statute of the Joint Inspection Unit, the Secretary-General presents his comments on the report of the Joint Inspection Unit entitled "Delegation of authority for management of human and financial resources in the United Nations Secretariat (JIU/REP/2000/6) (A/55/857).

2. The Secretary-General welcomes the preparation of the report and commends its assessment and insights on the policies and implementation regarding delegation of authority, in particular, its analysis of efforts to promote the delegation of authority to programme managers. It should be noted however, that much of the general findings and recommendations contained in the report have been overtaken by events and a number of reform initiatives affecting the delegation of financial management authority appear to have been overlooked by the report. In some cases, the recommendations seem to advocate new procedures, which differ from those already promulgated in the Secretary-General's bulletin of 28 May 1997 (ST/SGB/1997/1).

3. Two examples of the initiatives overlooked by the report are results-based budgeting and the efforts of the Secretariat to review and adjust administrative budgetary and programming procedures to reflect the new management culture resulting from the introduction of results-based budgeting.

4. By its resolution 53/207 of 18 December 1998, the General Assembly adopted the revised Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, which cover all activities undertaken by the United Nations, irrespective of their source of financing. In the same resolution, the General Assembly also requested the Secretary-General to bring to the attention of the General Assembly, through the Committee for Programme and Coordination, appropriate revisions of the relevant rules before promulgation. The rules issued pursuant to General Assembly resolutions 53/207 and 54/236 of 23 December 1999 and Assembly decision 54/474 of 7 April 2000 were first promulgated in ST/SGB/1997/1.

Comments on the recommendations

Recommendation 1
Comprehensive overall plan of action for delegation of authority

5. The Secretary-General should present to the General Assembly a comprehensive overall plan of action for delegation of authority based on a systematically developed concept rather than on an ad hoc approach. Such a concept should, as a first step, define which areas of responsibility require that authority be retained centrally (such as major policy orientation, monitoring and oversight) and those where authority can be delegated in the interest of a more efficient management system. As detailed in chapter V.A, such a plan of

action should, inter alia, contain the elements spelled out in recommendations 2-11 below:

6. The Secretary-General is in general agreement with recommendation 1. It is however important to point out that the report of the Secretary-General on human resources management reform (A/55/253) contains several elements of an overall plan to build on the existing framework, which includes, inter alia, the performance appraisal system (PAS) and the new programme management plan, which, as stated in the report of the Secretary-General on accountability and responsibility (A/55/270), is a new instrument effectuated by the Secretary-General that requires heads of departments to define clearly the goals and results that they intend to achieve. The instrument spells out the contributions that the heads of departments will make to the Organization, together with measurable performance indicators for each objective.

7. The basis for a comprehensive system of accountability was outlined in the report of the Secretary-General of 5 August 1994 (A/C.5/49/1). Since then, the measures described therein have been implemented and, where necessary, refined and improved. The above-mentioned report on accountability and responsibility (A/55/270), delineated the continuum between responsibility, authority and accountability, and presented the elements of an integrated and effective system of accountability. It underlined the progress made since the 1994 report of the Secretary-General, highlighted the recent changes introduced to enhance or supplement existing accountability mechanisms and outlined changes in the policy and management culture of the Organization, which will allow for the effective implementation of the comprehensive system of accountability now established.

Recommendation 2
Clarity in the formulation of policies and procedures

8. The Secretary-General should take steps to ensure strict compliance with the procedures for the promulgation of administrative issuances (ST/SGB/1997/1 and 2) so as to ensure not only clarity in the formulation of procedures and instructions, but also avoidance of contradictions between administrative issuances. Issues of a binding administrative nature should be promulgated exclusively through the prescribed means, namely, Secretary-General's bulletins or Secretariat administrative instructions. Modifications to or cancellation of administrative issuances should only be promulgated by another administrative issuance of the same or higher rank, as amendments or revisions of the original documents (see A/55/857, paras. 55-61).

9. According to paragraph 60 of the report, clear policies for the promulgation of administrative issuances are not always observed. Unfortunately, such a statement is not accompanied with specific examples. The Secretary-General is unaware of any non-compliance with established procedures regarding the issuance of administrative instructions or of Secretary-General's bulletins ST/SGB/1997/1 and 2. The procedures set out for the promulgation of administrative instructions, their abolishment and/or amendment are scrupulously followed. Much effort is devoted in ensuring that every draft administrative issuance is in strict conformity with established policies.

10. The specific problem referred to in paragraph 61 of the report, in relation to the final provision of ST/AI/1999/1, was a one-time occurrence resulting from the

fact that the work required in finalizing a consolidated administrative instruction on the repatriation grant had not yet been completed when ST/AI/1999/1 was issued. Such situations are unavoidable when there are transfers from one system of administrative issuances to another.

Recommendation 3
Updating delegation regarding the administration of the Staff Regulations and Rules

11. The Secretary-General should review the provisions of Secretary-General's bulletin ST/SGB/151, of 7 January 1976, related to the administration of the Staff Regulations and Rules, updating it as required to reflect the current situation. Pursuant thereto, the Secretariat should promulgate one comprehensive administration instruction on the delegation of authority for the administration of the Staff Regulations and Rules so as to reflect the current situation in clear terms (ibid., paras. 57-61).

12. The Secretary-General concurs with the need to review and update the provisions of Secretary-General bulletin ST/SGB/151 and to prepare a comprehensive and detailed administrative instruction on that basis. This will be done once the General Assembly has completed its consideration of the proposals on human resources management reform contained in the report of the Secretary-General (A/55/253).

Recommendation 4
Promulgation of revised Financial Regulations and Rules

13. The Secretary-General should be requested as a matter of urgency to promulgate a revised version of the Financial Regulations and Rules so as to incorporate pertinent revisions to the Regulations approved by the General Assembly and to update the Rules as may be required. In this context, the Secretary-General should review other issuances that might contain provisions which are contrary to the Financial Rules so as to ensure overall consistency. For the future, should it be required to amend a particular rule, it should be done by means of an amendment or revision of the document containing the basic text of the Financial Regulations and Rules (A/55/857, paras. 62-68).

14. The Secretary-General takes note of the recommendation. A thorough review of the Financial Regulations and Rules is currently being undertaken by the Secretariat. A revised version of the Rules will be promulgated this year.

Recommendation 5
Establishing a culture of clarity, transparency and communication

15. The Secretary-General should be encouraged to take additional steps towards the establishment throughout the Secretariat of a "culture" of clarity, transparency and communication, taking into account the considerations described in chapter V.B of this report (ibid., paras. 69-70).

16. The Secretary-General welcomes the recommendation and wishes to point out that steps towards the establishment of a "culture" of transparency and communication throughout the Secretariat have been incorporated into the human resources management strategy.

Recommendation 6
Promulgation of individual delegation orders

17. In addition to the general delegation that may be included in the Staff Rules, the Financial Rules or the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation or in Secretary-General's bulletins related to the organization of the Secretariat, the Secretary-General should institute the requirements that the delegation of authority to individuals should be clearly defined in individual delegation orders (contracts, letters or documents), which, as a minimum, should include the following:

(a) Citation of the original source of authority;

(b) Description of the authority to be delegated with clear and consistent objectives;

(c) Any limitation imposed, including any limitation on sub-delegation;

(d) Citation of any previous delegations which are to be revised or rescinded, if appropriate;

(e) The date on which the delegation is to become effective and the duration of the delegation;

(f) The details of the reporting duties which go together with the delegation, so as to permit proper monitoring (volume, frequency of reporting and other details, particularly in the relation between field offices and Headquarters) (ibid., paras. 75-77).

18. The Secretary-General shares the view that delegation of authority should be made generic through the issuance of bulletins or instructions. The main delegation of authority to programme managers appears in the Secretary-General's bulletin ST/SGB/1997/5, the purpose of which was to establish the organizational structure of the Secretariat and to show the flow of delegated authority. It is therefore clear that proper delegation of authority exists within the Secretariat. It would merely require an amendment of the applicable rules if it were necessary to expand the existing structure for the delegation of authority.

19. The Secretary-General remains cognizant of the fact that, in order to be held accountable for discharging their responsibilities, managers need to have authority and control over their human and financial resources, timely and accurate information about the status of the resources assigned to them and training, as required. In that regard, the Secretary-General delegates financial management authority to heads of departments and heads of overseas offices through the Under-Secretary-General for Management. When the authority is granted, clear information is provided, defining its scope, expectations regarding its discharge and the manner in which it will be monitored. Heads of departments and line managers have primary responsibility for ensuring the proper exercise of delegated authority. The Department of Management is responsible for monitoring the exercise of authority and for assisting staff in doing so properly. If necessary, the level of authority can be reduced or authority withdrawn altogether.

Recommendation 7
Empowerment of managers

20. In addition to the general training available to the Secretariat as a whole, managers to whom authority is to be delegated should be provided with specialized training and briefings and with adequate support services, whether under their direct supervision or through "common" services, in locations where more than one substantive unit exist. Furthermore, the Secretary-General should direct the central administrative services, i.e., the Office of Human Resources Management and the Office of Programme Planning, Budget and Accounts, to guarantee to managers, upon their request, the availability of additional guidance as to the correct implementation and interpretation of financial, staff and programme planning regulations, rules and administrative instructions, so as to reinforce managerial competencies and accountability (A/55/857, paras. 78-79).

21. The Secretary-General endorses the thrust of recommendation 7. However, the reference to the availability of general training "to managers to whom authority is to be delegated" remains unclear. It unfortunately gives the impression that no proper rules on delegation of authority exist. The Secretary-General is of the opinion that when a system functions in the manner in which it should, authority is automatically delegated in accordance with the applicable rules. By implication, therefore, one is automatically empowered with authority to make certain decisions when appointed, as is evident in ST/SGB/1997/5, ST/AI/234/Rev.1 and Amend.1 and ST/AI/1999/1.

Recommendation 8
Access to information

22. The Secretary-General should undertake all efforts to optimize the functioning of the Integrated Management Information System (IMIS) and the Intranet both at Headquarters and in the field, so as to ensure constant and immediate access by managers to relevant information for the proper implementation of delegated authority (A/55/857, para. 81).

23. The Secretary-General agrees with recommendation 8 and recognizes the need for managers at all levels of the Organization to have constant and immediate access to relevant information. IMIS has been developed to meet information needs in the areas of human resources and finance. The system is now being implemented at all major duty stations to ensure the promotion of administrative discipline and accountability by virtue of its design. In that regard, the Secretary-General notes that much has been achieved and efforts are under way to extend IMIS access to peacekeeping missions.

24. The Integrated Monitoring and Documentation Information System (IMDIS) programme monitoring module is an integrated Intranet-based performance monitoring system that improves the quality and timeliness of programme performance monitoring and more closely integrates programme planning and monitoring. This strengthens the accountability of those responsible for implementation by providing regularly updated records of the status of their work. Combined with the Internet and with other information management technologies, the opportunity to further improve the dissemination of management and programme delivery information will be provided.

Recommendation 9
Monitoring

25. The Secretary-General should ensure that the central administrative units retain an ongoing monitoring capacity through which they may gauge progress and detect possible deficiencies in the exercise by managers of delegated authority. To this end, it is essential to develop an adequate information technologies and systems as well as cooperation with pertinent oversight mechanisms (ibid., paras. 82-84).

26. The Secretary-General's proposed reform of human resources management envisages enhancement of the monitoring role of the Office of Human Resources Management. To this end, it is planned to develop and implement a computerized tracking system in respect of the departmental human resources action plan. Development of an automated system of recruitment, placement and promotion will also facilitate the monitoring and reporting capacity of the Office.

Recommendation 10
Measuring of performance and establishing a system of accountability

27. The Secretary-General's effort to develop a comprehensive system of accountability — without which further delegation of authority in the financial and human resources areas cannot proceed — should be based on the following principles:

(a) The provisions to managers of all the necessary support, information and guidance for the functions which they are to perform, including those relevant to their relations with subordinates and for the resolution of possible disagreements;

(b) The existence of adequate mechanisms for the evaluation of the performance of officials to whom authority is delegated and the strengthening of enforcement mechanisms to deal with cases of failure;

(c) Performance indicators should be accompanied by measures to ensure that unsatisfactory achievements and non-compliance with work programmes or the Organization's policies, regulations and rules are taken into account in evaluating managers, shaping their careers and deciding on the level of authority that can be delegated to them (ibid., paras. 85-91).

28. While agreeing with recommendation 10 as a matter of principle, the Secretary-General notes that it gives the impression that no system currently exists. On the contrary, the Secretary-General's report on accountability and responsibility (A/55/270) effectively presents, not only a description of an existing system and framework, but also further proposals for a more comprehensive set of principles that embraces those listed in the report.

29. The Secretary-General will continue to ensure that the system of accountability outlined in the report functions effectively. In that regard, serious attention is being paid by the Secretary-General to the elaboration and implementation of a comprehensive system of accountability of managers. The Performance and Appraisal System (PAS), which has now been implemented Secretariat-wide, has been complemented by the programme management plan, which includes performance indicators relating to programmatic, financial and human resources

management responsibilities. Human resources are also monitored by the Office of Human Resources Management in the context of departmental action plans.

30. The Performance Appraisal System (PAS) is the primary accountability tool that assists managers in establishing clear working relationships with their staff, defining performance objectives and standards and evaluating performance in the light of these objectives. It also provides for the evaluation of managers with regard to their performance in developing their staff and with respect to gender and cultural diversity. A number of monitoring mechanisms have been established to ensure compliance, accountability and consistency. These include Management Review Committees, Joint Staff/Management Monitoring Committees at the departmental and global level, ongoing monitoring by the Office of Human Resources Management and an annual review by the Steering Committee on Reform, chaired by the Deputy Secretary-General. A number of training programmes to support performance management have also been put in place. With respect to under-performance, the administrative instruction on the Performance Appraisal System (PAS) (ST/AI/1999/14) has been amended to assist managers in dealing with the issue more systematically.

31. A pilot project to develop a key item management reporting system has been initiated by management. This would be a system to provide programme managers with executive management information to assist them in making decisions based on appropriate information, as well as to facilitate management monitoring. For the human resources related performance indicators, the key item management reporting system relies on the human resources action plan as well as on other specific enhancements to existing IMIS applications. To this end, performance indicators were identified for incorporation into this system, which is being developed primarily based on IMIS data. The system will be made available to programme managers through the Intranet.

32. Another measure that has contributed significantly to the strengthening of accountability at the top management level is the establishment of the Accountability Panel. This was promulgated in the recently issued Secretary-General's bulletin (ST/SGB/2000/14 of 23 October 2000), the purpose of which was to strengthen accountability in the Secretariat and to advise the Secretary-General on matters thereon.

Recommendation 11
Consultations with staff representatives

33. The Secretary-General should ensure that, to the greatest extent possible, the views and suggestions of the staff are considered, and that full and meaningful consultations with staff representatives are undertaken in the context of the improved system of communication with the Secretariat (A/55/857, para. 92).

34. The Secretary-General concurs with recommendation 11 that there must be full and meaningful consultations with staff representatives, but emphasizes, however, that such a dialogue should be constructive and results-oriented.